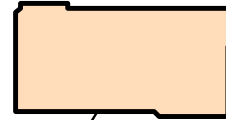
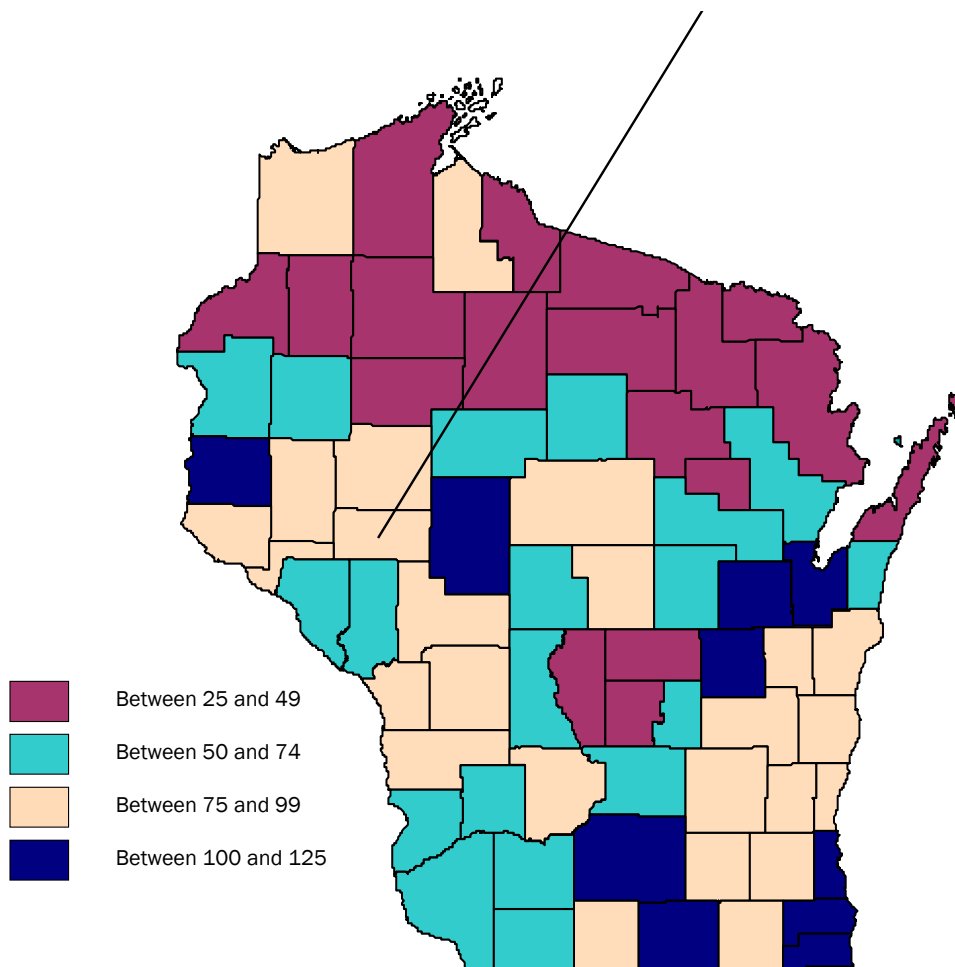


Eau Claire County Workforce Profile



The number of residents aged 25-29 years for every 100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

The population in Eau Claire County continued to increase at a slower pace than in the nation but faster than Wisconsin and ranked 35th fastest growing among the state's 72 counties. From Census 2000 to January 2004 the population in Eau Claire County increased 3.3 percent by adding 3,072 residents. The population increased in all but one of the county's 18 municipalities, the Village of Fairchild, and six of the ten largest

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Eau Claire County	93,142	96,214	3,072	3.3%
Largest Municipalities				
Eau Claire, City*	59,794	61,912	2,118	3.5%
Washington, Town	6,995	7,227	232	3.3%
Altoona, City	6,698	6,719	21	0.3%
Seymour, Town	2,978	3,099	121	4.1%
Pleasant Valley, Town	2,681	2,932	251	9.4%
Union, Town	2,402	2,514	112	4.7%
Bridge Creek, Town	1,844	1,845	1	0.1%
Brunswick, Town	1,598	1,638	40	2.5%
Augusta, City	1,460	1,463	3	0.2%
Fall Creek, Village	1,236	1,284	48	3.9%

*Eau Claire County portion only

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

municipalities matched or out-paced the percent increase of the county. These municipalities, as well as the county, are growing because they attract new residents who migrate to the area in addition to an increase in population from natural causes (births minus deaths).

The increase in county population attributed to net migration, more people who moved to the county than left the county, nearly matched the increase from natural causes. The net migration rate from 2000 to 2004 of 1.6 percent matched the Wisconsin rate and exceeded the rate of other metropolitan counties in Wisconsin.

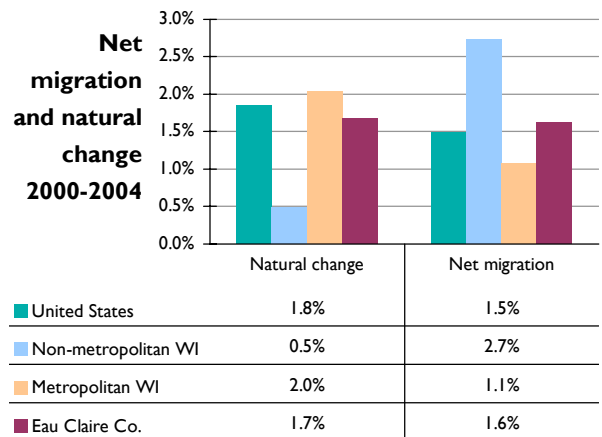
New residents who migrate are often older and many times come with an established family. This certainly appears to be the case since the fertility rate (see glossary) of only 47.5 in the county is well below the rate of 58.7 in Wisconsin, and yet the number of very young residents is increasing in the county. From 2000 to 2004 there were 4,179 births that

exceeded the number of deaths by 1,558.

However, the reason for the population in the 15-24 year age groups is the number of students who attend the post-secondary institutions in Eau Claire. This population, although fairly large and demanding of services, provides little to the long-term growth in total population.

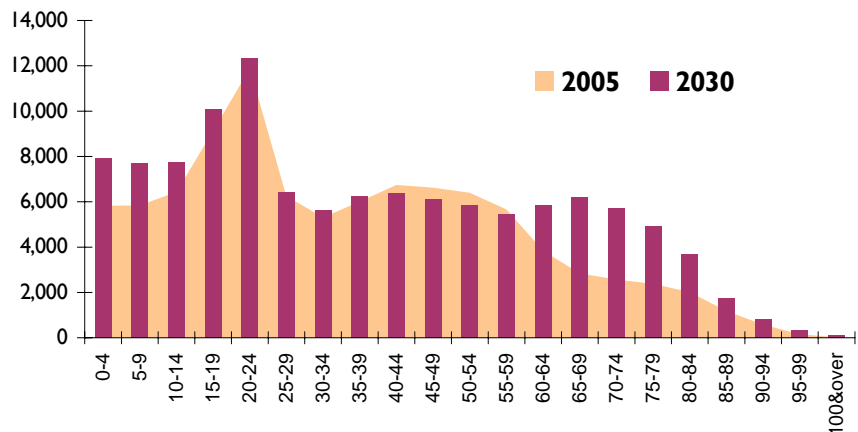
The bottom chart illustrates the impact of youth on the county's current and projected population. The spike resulting from college students, who generally leave the area after graduation, does not move to the right with years while the bump created by baby-boomers, those currently in the 40 to 59 year old groups, does move to the right and will be a significant factor in 2030.

Roughly 16 percent of the population is currently over 60 years old but by 2030 that share expands to 25 percent. In contrast, there will be little change in the population under 25 years of age. Currently, 40 percent of the current popu-



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Eau Claire County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

lation is under 25 years old and that drops to 39 percent by 2030. The group of residents between 25 and 59 years old, those in their primary working years, will shrink from 44 percent of the population to under 40 percent by 2030.

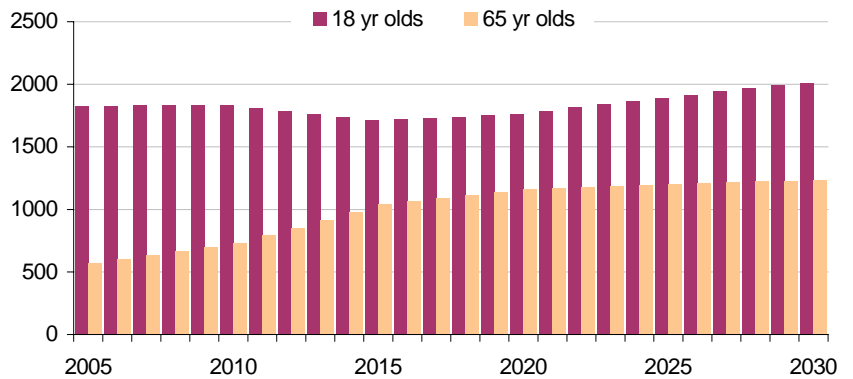
The impact of an aging population is perhaps more obvious in terms of services that they will require. But it also impacts the availability of labor. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group nears the number in the second group. Although there is no convergence in Eau Claire County the gap between the two ages shrinks considerably in the years following 2015.

As residents age, their participation in the labor force declines. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age generally exceed 88 percent in the county. But, after 55 years the LFPR begins to drop and by 60 years it is nearing 50 percent.

Although county population growth will slow it is not projected to decline during the projection period. However, because a greater share of the population will be over 50 years old, an age when labor force participation drops off, the size of the labor force will stall. The three columns in the chart on the right illustrate labor force composition and size. Most notable is the increasingly larger sections representing workers over 65 years in the top sections.

This projection uses national assumptions that included a slight increase in the participation rate of older residents but

Convergence of 18 & 65 year old population in Eau Claire County

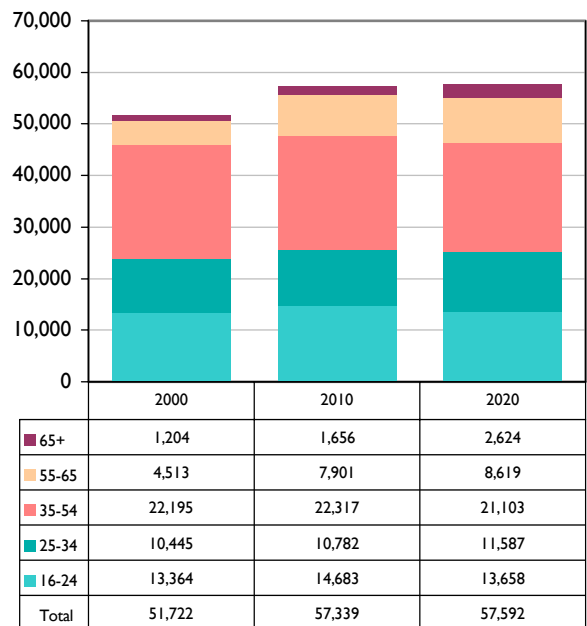


Source: WI Dept. of Administration, Demographic Services

did not factor in the declining participation rates of white residents; and, the population in Eau Claire County is 94 percent white. The largest ethnic group, Asian, is less than three percent of the total population.

Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as the elderly demand changes in the types of goods and services provided in local communities.

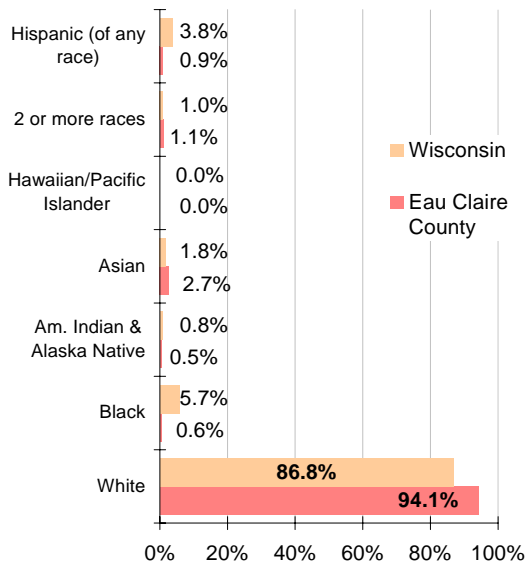
Eau Claire County Labor Force Projections by Age



Decade change	19.9%	10.9%	0.4%
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Source: DWD, Office of Economic Advisors, August 2004

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

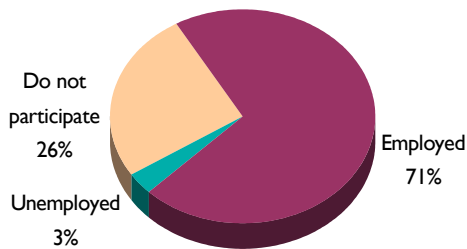
Current Labor Force

Labor force participation represents the share of population that is 16 years and older that is either employed or unemployed. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

In Eau Claire County the participation rate was 74.1 percent. That means that 26 percent of the population 16 years and older did not participate. That includes some students and individuals who choose not to work including retirees. As the

fewer new entrants to the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Eau Claire County in 2003 was 4.6 percent compared to a 8.9 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

Labor force participation in Eau Claire County

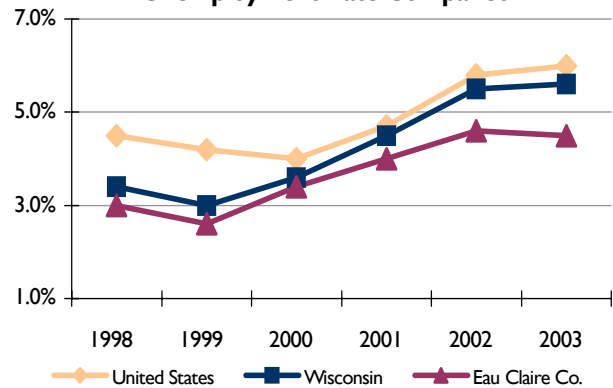


Source: DWD, Office of Economic Advisors, July 2004

population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline.

There will also be fewer new entrants to the labor force who are seeking first-time jobs and, consequently, fewer included among the unemployed. That, in turn, will produce lower unemployment rates. The fact that there were

Unemployment Rate Comparison



Eau Claire County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	52,178	51,280	52,810	53,395	53,806	55,329
Employed	50,631	49,925	51,032	51,257	51,349	52,819
Unemployed	1,547	1,355	1,778	2,138	2,457	2,510
Unemployment Rate	3.0%	2.6%	3.4%	4.0%	4.6%	4.5%

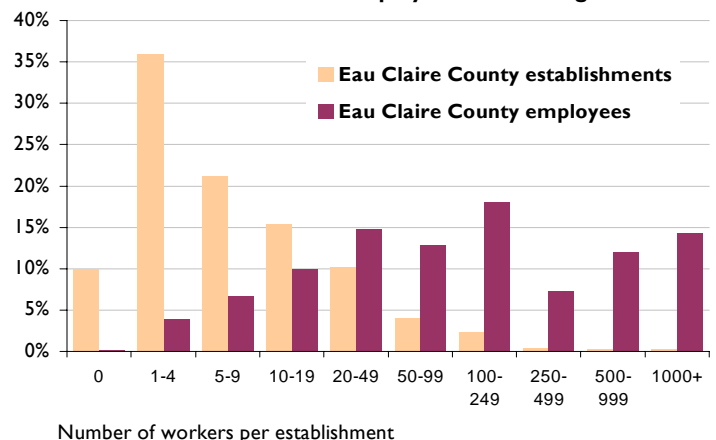
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

Nationwide, about one-quarter of the jobs are with employers that have 250 or more employees compared to roughly 31 percent in Wisconsin. However, of the roughly 51,520 jobs in Eau Claire County over one-third are with employers with 250 or more workers. In stark contrast, the share of employers with 250 or more workers comprises one percent of all employers in Eau Claire County compared with less than one percent in the nation and in Wisconsin.

The greatest share of jobs in the county is with employers in the 100-249 employee range. However, the greatest share of employers, 46 percent, has fewer than five workers. The average employer in Eau Claire County has 21 employees, compared with 17 employees in Wisconsin and 13 in the United States.

Share of establishments & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

Six of the largest employers in Eau Claire County employ over 1,000 workers and are representative of the some of largest industries in the county. Two of the largest employers represent educational services and both are in the public sector. The second largest industry, food services and drinking places, is comprised of many smaller employers who together provide over 4,300 jobs. Employers in this industry have an

average of 27 employees.

The largest employer, Menard's Inc., has employees working in various operations in Eau Claire that include building supplies, warehousing, building production and management. Employment in each of these units is parsed to the corresponding industry and is one of the reasons that management of companies and enterprises is listed among the top ten.

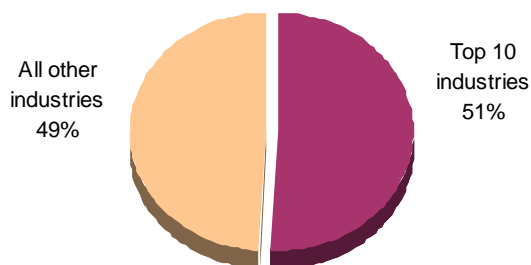
Top 10 Industries in Eau Claire County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Educational services	29	5,055	-128	295
Food services & drinking places	161	4,312	93	465
Ambulatory health care services	120	2,745	123	462
Hospitals	suppressed	suppressed	not avail.	not avail.
Administrative & support services	99	2,614	567	-21
Nursing & residential care facilities	23	1,967	51	382
Professional & technical services	163	1,937	-16	343
General merchandise stores	suppressed	suppressed	not avail.	not avail.
Management of companies & enterprises	19	1,586	131	not avail.
Insurance carriers & related activities	83	1,558	127	977

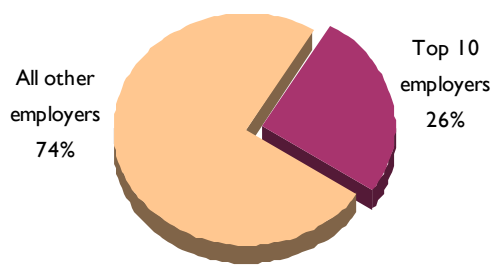
Top 10 Employers in Eau Claire County

Establishment	Product or Service	Size (Dec. 2003)
Menard, Inc.	Home centers	Over 999 employees
Eau Claire Area School District	Elementary and secondary schools	Over 999 employees
Luther Hospital	General medical and surgical hospitals	Over 999 employees
University of Wisconsin- Eau Claire	Colleges and universities	Over 999 employees
Sacred Heart Hospital	General medical and surgical hospitals	Over 999 employees
Midelfort Clinic Ltd Mayo Health	Offices of physicians, except mental health	Over 999 employees
Hutchinson Technology Inc.	Computer storage device manufacturing	500-999 employees
D Mark Group Inc.	Temporary help services	500-999 employees
City of Eau Claire	Executive, legislative, & gen. government offices	500-999 employees
Wal-Mart Associates Inc.	Warehouse clubs and supercenters	500-999 employees

Share of jobs in top 10 industries in Eau Claire County



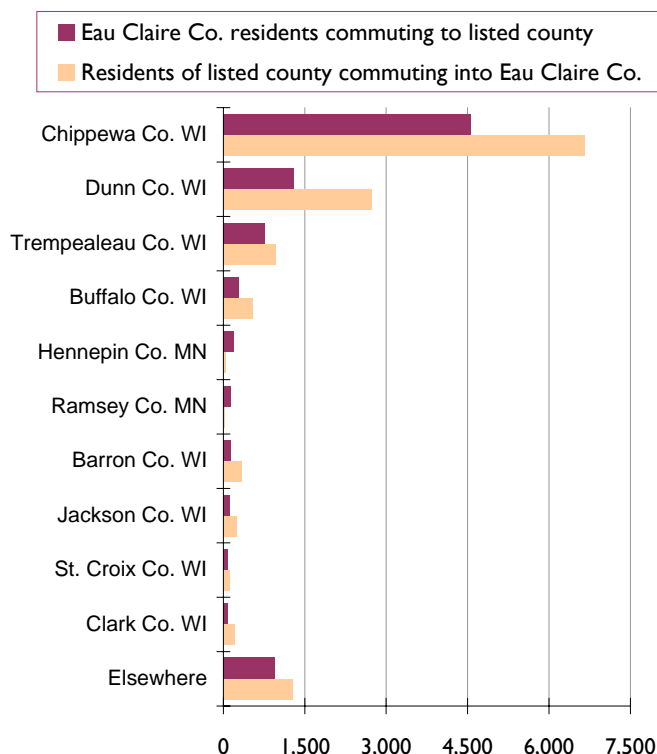
Share of Eau Claire County jobs with top 10 employers



Commuting

The commuting interaction that Eau Claire County has with surrounding counties shows a net inflow of 4,580 workers meaning that more workers travel into the county for jobs than the number of residents who leave to work for employers in other counties. Less than 18 percent, roughly 8,645 residents, traveled out of the county for a job and most of them didn't travel very far. Half the workers who left the county headed for destinations in Chippewa County and most of those workers had jobs with employers in the cities of Chippewa Falls and Eau Claire (the portion located in Chippewa County). Another 25 percent traveled to the neighboring counties of Dunn (primarily to the City of Menomonie), Trempealeau and Buffalo. Since these workers are residents of Eau Claire County they are included in the local labor force estimates.

A much larger number of workers travel into the county for a job. Employers in Eau Claire County attract roughly 13,225 workers who travel from neighboring communities to work in local jobs. Most of the incoming workers travel from Chippewa County, but a large share also come from Dunn County. From nearly all directions the destination for four of every five inbound commuters is the City of Eau Claire. Employers in the city attracts nearly 10,500 non-county workers to fill job vacancies. Another popular destination for workers is the Town of Union, adjacent to the City of Eau Claire.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

Information on occupations and wages for Eau Claire County are based on survey responses for the Eau Claire metropolitan statistical area that also includes Chippewa County. This list includes wages for some of the occupations with the most employment in that area. These 20 occupations provide approximately 24,700 jobs, or 34 percent of the 72,000 total jobs in the metropolitan area.

Each occupation includes a mean (average) and median (50th percentile) hourly wage probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight.

Eleven of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$11/hour. There are also jobs on this list that typically require only moderate to long-term training periods and have mean wages that exceed \$12/hour. Only three occupations on the list typically require college degrees.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$10.88	\$7.35	\$8.77	\$11.98
Cashiers	\$7.48	\$6.34	\$7.36	\$8.44
Registered nurses	\$22.26	\$18.91	\$21.65	\$25.41
Nursing aides, orderlies, & attendants	\$10.37	\$8.78	\$10.01	\$11.61
Comb. food prep. & serving workers (fast food)	\$6.71	\$5.90	\$6.47	\$7.23
Team assemblers	\$12.20	\$10.21	\$12.06	\$13.52
Office clerks, general	\$10.01	\$7.81	\$9.76	\$11.98
Secretaries, except legal, medical, & executive	\$12.39	\$10.36	\$12.44	\$14.07
Truck drivers, light or delivery services	\$11.27	\$8.45	\$10.94	\$13.15
Laborers & freight, stock, & material movers, hand	\$9.09	\$7.15	\$8.46	\$10.70
Waiters & waitresses	\$7.13	\$5.94	\$6.49	\$7.16
Bookkeeping, accounting, & auditing clerks	\$12.63	\$9.72	\$12.22	\$14.89
Janitors & cleaners, except maids & housekeeping	\$10.79	\$8.35	\$10.26	\$13.04
Receptionists & information clerks	\$9.47	\$8.20	\$9.63	\$10.75
Elem. school teachers, except special ed.	*	*	*	*
Stock clerks & order fillers	\$9.37	\$7.19	\$8.68	\$11.09
1st-line supervisors/mgrs. of retail sales workers	\$16.88	\$10.63	\$14.55	\$20.85
Truck drivers, heavy & tractor-trailer	\$16.12	\$12.53	\$15.02	\$19.89
Customer service representatives	\$13.52	\$9.48	\$12.23	\$16.89
General & operations managers	\$42.30	\$24.14	\$35.48	\$56.09

Eau Claire County is part of an area which includes Chippewa and Eau Claire counties.

Source: DWD, Bureau of Workforce Information, Occupational Employment Statistics, 2003

Employment and Wages

An increase of less than one percent, or 425 jobs, in payroll employment in Eau Claire County from 2002 to 2003 was better than the change of -0.2 percent in Wisconsin. The largest increase in employment occurred with education and health services employers where wages are only a few dollars shy of wages for similar work in the state and exceed the average annual wage for all industries in the county of \$29,533. Concurrent with the increase in jobs average wages in the county rose 2.0 percent compared with an increase statewide of 3.1 percent.

The distribution of total payroll and employment for the major industry groups in Eau Claire County is detailed in the chart below. Education & health services employers, which in this case also include public education, provide the greatest share of the jobs, 24.9 percent, in Eau Claire County and have the highest payroll. The second highest payroll is with trade, transportation, and utilities employers, but the annual average wage is much lower.

The highest average wages from professional and business services employers, which includes management of companies, exceed state wages for similar work and are paid to 12

Average Annual Wage by Industry Division in 2003

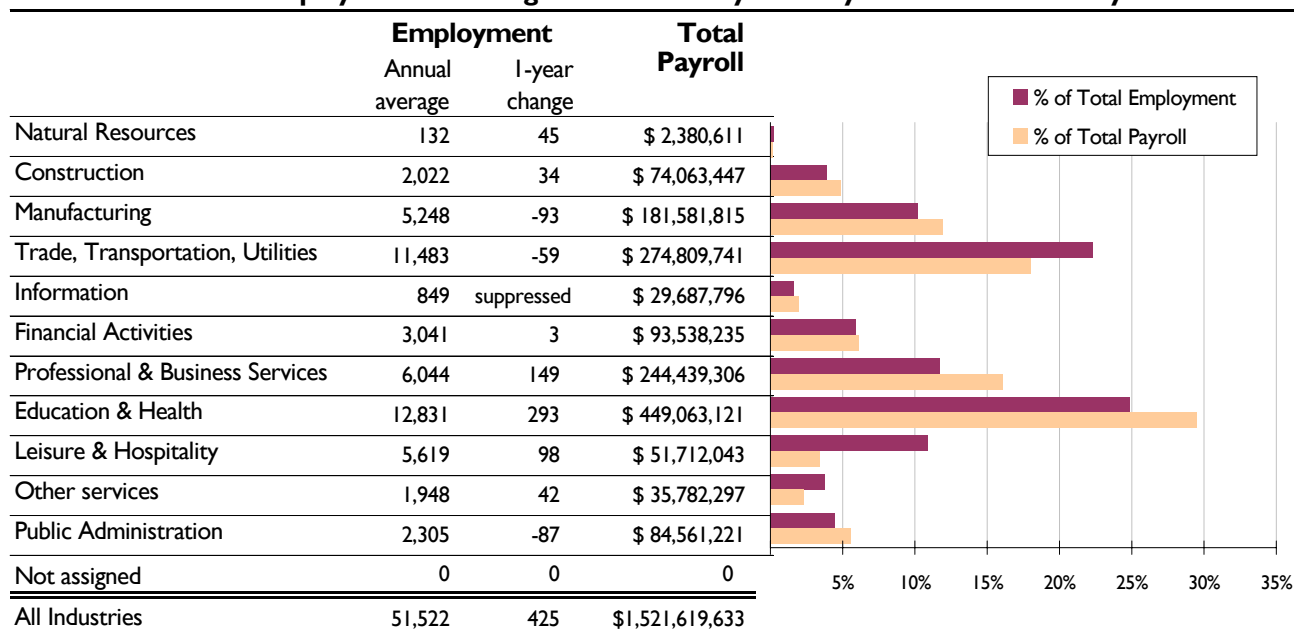
	Average Annual Wage Wisconsin	Average Annual Wage Eau Claire County	Percent of Wisconsin	1-year % change
All Industries	\$ 33,423	\$ 29,533	88.4%	2.0%
Natural resources	\$ 25,723	\$ 18,035	70.1%	-9.1%
Construction	\$ 40,228	\$ 36,629	91.1%	5.9%
Manufacturing	\$ 42,013	\$ 34,600	82.4%	4.2%
Trade, Transportation, Utilities	\$ 28,896	\$ 23,932	82.8%	2.6%
Information	\$ 39,175	\$ 34,968	89.3%	Not avail.
Financial activities	\$ 42,946	\$ 30,759	71.6%	7.0%
Professional & Business Services	\$ 38,076	\$ 40,443	106.2%	-4.8%
Education & Health	\$ 35,045	\$ 34,998	99.9%	3.1%
Leisure & Hospitality	\$ 12,002	\$ 9,203	76.7%	-0.4%
Other services	\$ 19,710	\$ 18,369	93.2%	-5.4%
Public Administration	\$ 35,689	\$ 36,686	102.8%	6.2%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

percent of the workers while the lowest wages in the county from leisure and hospitality employers are earned by 11 percent of the workers.

Several factors influence average wages in industries including occupation composition (professional and technical jobs generally have higher wages than clerical and service occupations), job tenure (those with more seniority are paid more than new hires), average workweek (full or part-time), and seasonal or temporary employment.

2003 Employment and Wage Distribution by Industry in Eau Claire County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Per capita personal income (see glossary) increased 3.8 percent in Eau Claire County in 2002, faster than in the United States, Wisconsin and other metropolitan counties in the state. Even with the increase, the PCPI in the county is only 91 percent of PCPI in Wisconsin and 88 percent of the United States and ranks 28th out of 72 counties in the Wisconsin.

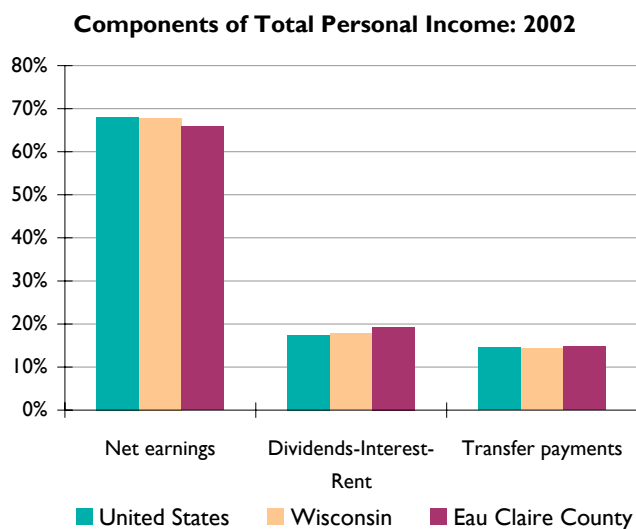
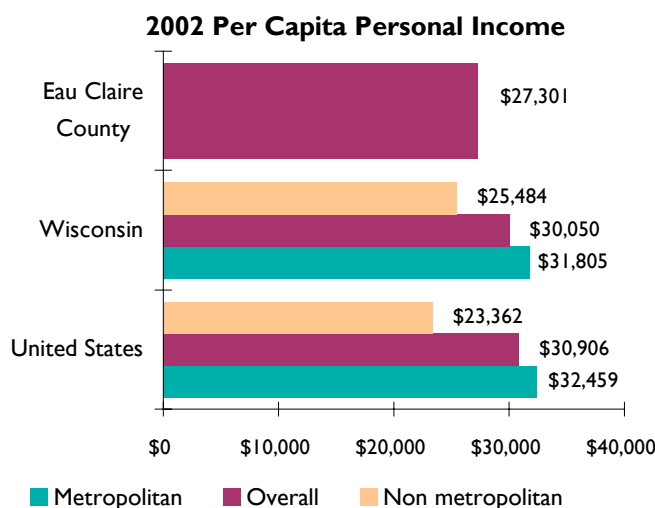
The greatest share of total personal income is net earnings from jobs, both in and out of the county, self-employment and proprietorships. Not only are annual average wages lower than in Wisconsin but the share of net earnings of 66

percent in Eau Claire County is below the 68 percent of both the state and nation. In contrast transfer payments comprise a much larger share. Both factors contribute to the lower PCPI in the county.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Residents over 18 years old earn most income but the younger population is still included in the formula. Likewise, a retired population has a much lower earning capacity.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Metropolitan WI	\$25,972	\$27,711	\$28,770	\$30,317	\$31,106	\$31,805	2.2%	22.5%
Eau Claire County	\$21,655	\$23,368	\$24,453	\$25,933	\$26,303	\$27,301	3.8%	26.1%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Metropolitan WI	\$29,111	\$30,584	\$31,067	\$31,672	\$31,598	\$31,805	0.7%	9.3%
Eau Claire County	\$24,272	\$25,790	\$26,406	\$27,092	\$26,719	\$27,301	2.2%	12.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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Hayward, WI 54843
Phone: 715-634-5289
email: Beverly.Gehrke@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Fertility rate - Number of live births per 1,000 women aged 15-44 years.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.